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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

Application of

Midvale Telephone Exchange, Incorporated  
and M&L Enterprises, Inc., d/b/a Skyline  
Telephone,

Transferors,

and

Beaver Creek Telephone Company, d/b/a  
Timberline Telco,

Transferee,

For Consent for Transfer of Control

WC Docket No. \_\_\_\_\_

**APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL**

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.03 or 63.04 of the Commission's rules, 47 C.F.R. § 63.03 and § 63.04, Midvale Telephone Exchange, Incorporated ("Midvale") and M&L Enterprises, Inc., d/b/a Skyline Telephone ("M&L") (the "Transferors") and Beaver Creek Telephone Company, d/b/a Timberline Telco ("Timberline") (the "Transferee"), with Midvale, M&L and Timberline together constituting the "Applicants," hereby file this Application. Midvale, M&L and Timberline hereby apply for Commission consent to transfer control of that certain service area known as Mt. Hull, which is USAC Study Area 521402. There are 147 working loops in this study area.

The proposed transaction contemplates acquisition of the stock of M&L from Midvale by Timberline and, thus, the operations used to provide service in the Mt. Hull exchange. M&L currently serves fewer than two percent (2%) of the nation's access lines. Further, Midvale serves fewer than two percent (2%) of the nation's access lines. Following the acquisition, Timberline will still serve fewer than two percent (2%) of the nation's access lines, taking into account Timberline's current access lines and its control of M&L's access lines. Timberline provides local exchange, and exchange access within the Silverton service area located in northwest Washington. Since this is a stock transaction, service to customers in the Mt. Hull exchange will be provided at the same rates, terms and conditions as are in effect today. Therefore, the proposed transaction will be largely transparent to existing customers. For these reasons, and for the reasons detailed below, the transaction will serve the public interest and the Commission should grant this Application on a streamlined basis.

In accordance with the requirements of Section 63.04 of the Commission's rules, the Applicants provide the following information:

- (1) Name, address, and telephone number of each applicant.

Transferor:

Midvale Telephone Exchange, Incorporated  
2205 Keithley Creek Road  
PO Box 7  
Midvale, ID 83645  
(208) 355-2211

Transferor:

M&L Enterprises, Inc., d/b/a Skyline Telephone  
2205 Keithley Creek Road  
PO Box 7  
Midvale, ID 83645  
(208) 355-2211

Transferee:

Beaver Creek Telephone Company, d/b/a Timberline Telco  
PO Box 609  
One Telephone Drive  
Mt. Vernon, OR 97865  
(541) 932-4411

- (2) State under the laws of which each applicant is organized.

Midvale is a corporation organized under the laws of the State of Idaho.

M&L is a corporation organized under the laws of the State of Idaho. Timberline is a corporation organized under the laws of the State of Washington.

- (3) Legal counsel to whom correspondence concerning the application is to be addressed.

For Transferors:

Richard A. Finnigan  
2112 Black Lake Blvd SW  
Olympia, WA 98512  
(360) 956-7001

For Transferee:

Richard A. Finnigan  
2112 Black Lake Blvd SW  
Olympia, WA 98512  
(360) 956-7001

- (4) Name, address, citizenship, and principal business of entities that own at least ten percent (10%) of the equity of the applicants (to the nearest one percent (1%)).

For Transferor:

M&L is one hundred percent (100%) owned by Midvale. Mr. Lane Williams owns fifty percent (50%) of the equity of Midvale. Mr. Williams is involved in the management of Midvale. Mr. Williams' address is 2205 Keithley Creek Road, PO Box 7, Midvale, ID 83645. Mr. Williams is a citizen of the United States of America.

The remaining fifty percent (50%) equity of Midvale is held by the Estate of Shirley Archer. The beneficiaries of the estate are all United States citizens.

No other person or entity owns a ten percent (10%) or more direct or indirect interest in M&L or Midvale.<sup>1</sup>

For Transferee:

Mrs. Marilyn May, Mrs. Deborah Bott, Mrs. Suzanne Wilson, Mrs. Pamela Smith and Mrs. Catherine Hendrickson each own twenty percent (20%) of the equity of Timberline and are all citizens of the United States of America. No other person has a ten percent (10%) or more direct or indirect interest in Timberline. Mrs. May's address is 2780 E. Fork Road, Rockland, ID 83271. Mrs. Bott's address is 340 E. Center, Rockland, ID 83271. Mrs. Wilson's address is 315 W. Center Street, Rockland, ID 83271. Mrs. Smith's address is 333 S. Main, Rockland, ID 83271. Mrs. Hendrickson's address is PO box 269, Rockland, ID 83271.

- (5) Certification pursuant to Sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits.

By their signatures below, the Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

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<sup>1</sup> The Commission should be aware that on September 16, 2009, Lane R. Williams and the Estate of Shirley Archer and the Midvale Telephone Exchange, Inc. Employee Stock Ownership Trust (Midvale ESOP) filed an application to transfer control of Midvale Telephone Exchange, Inc. and its fully-owned subsidiary M&L Enterprises d/b/a Skyline Telephone Company to the Midvale ESOP, which is docketed in WC Docket No. 09-169 (Midvale ESOP 214). The applicants in Midvale ESOP 214 and the Applicants under this Application expect that the transaction described under this Application will close and be completed prior to the time that the Midvale ESOP is funded.

(6) Description of the transaction.

On September 25, 2009, Timberline, Midvale and M&L entered into a Stock Purchase Agreement under which Timberline will acquire all of the stock of M&L from Midvale. There are currently 147 working loops in the Mt. Hull exchange. All of these customers are in Washington.

(7) Description of the geographic areas in which the Transferor and Transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.

M&L provides local exchange and exchange access services only in the Mt. Hull wire center that is the subject of this Application. M&L is a rural incumbent local exchange carrier. M&L serves approximately 147 working loops as of July 31, 2009.

Midvale provides local exchange and exchange access services in the Midvale, Lakeview, Stanley and Warm Lake wire centers in Idaho and the Cascabel, Granite Mountain, Millsite and Silver Bell wire centers in Arizona. Midvale serves over 1,000, but less than 2,000, working loops as of July 31, 2009.

Timberline provides local exchange and exchange access services in the Silverton wire center located in the northwest portion of the State of Washington as a rural incumbent local exchange carrier. Timberline serves 27 working loops as of July 31, 2009.

(8) Statement on how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.

This Application is eligible for presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules, or in the alternative, is otherwise appropriate for streamlined treatment.

Under Section 63.03(b)(2)(iii), the Commission's streamlined procedures are presumed to apply where "a proposed transaction would result in a transferee having a market share in the interstate, intraexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction" and "the applicants are incumbent independent local exchange carriers ... that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."<sup>2</sup> Midvale is an incumbent local exchange carrier which serves fewer than two percent (2%) of the nation's subscriber lines. M&L is an incumbent local exchange carrier which serves fewer than two percent (2%) of the nation's subscriber lines. Upon completion of this transaction, Timberline is and will continue to be an incumbent local exchange carrier serving fewer than two percent (2%) of the nation's subscriber lines. Further, in combination, Midvale, M&L and Timberline, both before and after completion of this transaction, have fewer than two percent (2%) of the nation's subscriber lines installed in the aggregate nationwide. In addition, since there are no overlapping service areas and no adjacent service territories, the proposed transaction accordingly falls within the presumptively streamlined category. Finally, Timberline, as the Transferee, will, after the completion of the transaction, have a market share in the interstate, interexchange market of less than ten percent (10%). Timberline does not provide competitive telephone exchange service or exchange access service and thus, Timberline, as Transferee, can state that it would provide competitive telephone exchange service or exchange access service (if at all) exclusively in the geographic areas served by a dominant local exchange carrier that is not a party to the transaction.

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<sup>2</sup> 47 C.F.R. § 63.03(b)(2)(iii).

Alternatively, streamlined treatment is appropriate under the Commission's "case-by-case approach."<sup>3</sup> Indeed, the Commission has adopted a "general rule in which all applications are eligible for streamlined processing," finding that such general eligibility for streamlined processing "best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that we continue to serve the public interest under section 214 of the Communications Act."<sup>4</sup>

This Application should be subject to streamlined processing because it involves only a transfer of equity interests, and presents no "novel questions of fact, law, or policy which cannot be resolved under outstanding precedents and guidelines."<sup>5</sup> As noted above (and discussed more fully below), this Application presents no competitive or public interest concerns. Upon completion of the proposed transactions, M&L will continue to provide service at the same rates, terms and conditions as are in effect today. No customer will lose service or be adversely affected as a result of the proposed transaction. Because this transaction poses no competitive concerns and raises no novel issues, this Application is appropriate for streamlined treatment.

- (9) Identification of all other Commission applications related to the same transaction.  
None.
- (10) Statement whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.  
The Applicants are not requesting special consideration of the application.
- (11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

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<sup>3</sup> *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517 ¶34 (2002) ("Streamlining Order"); see also 47 C.F.R. § 63.03(a) (permitting streamlining "[u]pon determination ... that the application is appropriate for streamlined treatment").

<sup>4</sup> *Streamlining Order* ¶34.

<sup>5</sup> *Id.* ¶28.

None at this time. However, upon completion of this transaction, Timberline may seek a waiver to combine USAC Study Areas within the State of Washington.

- (12) A statement showing how grant of the application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.

The Mt. Hull exchange is located in the State of Washington. M&L's parent corporation, Midvale, has determined to consolidate its operations to the States of Idaho and Arizona. Timberline has existing operations within the State of Washington. Timberline is well situated to provide efficient operations to the customers in the Mt. Hull exchange and thus consolidating operations in the State of Washington.

In contrast to the substantial potential benefits, the proposed transaction poses no countervailing harms. Upon consummation of the proposed transaction, M&L will continue to provide service at substantially the same rates, terms and conditions as are in effect today. There will be no reduction, impairment, or discontinuance of service to any customer as a result of the proposed transaction. The cut-over of service will be seamless with no interruption or disruption of service.

For all of the foregoing reasons, the proposed transaction will serve the public interest and this Application should be granted on a streamlined basis.

Payment in the amount of \$1,015.00, along with FCC Form 159, was transmitted to the Federal Communications Commission, c/o U.S. Bank - Government Lockbox #979091, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101 (Attn: FCC Government Lockbox) for delivery this date.

An original and six copies of this Application are enclosed for filing. To acknowledge receipt, please stamp and return one copy of this Application enclosed for



that purpose. Please contact the undersigned with any inquiries concerning this Application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard A. Finnigan", written over a horizontal line.

Richard A. Finnigan  
Attorney for Midvale Telephone Exchange,  
Incorporated, M&L Enterprises, Inc., d/b/a  
Skyline Telephone and Beaver Creek  
Telephone Company, d/b/a Timberline  
Telco


Dated: October 19, 2009

[Please see attached certifications of Midvale, M&L and Timberline which are incorporated herein by this reference.]

# DECLARATION OF STEVE CHILD

I, Steve Child, Chief Executive Officer for Midvale Telephone Exchange, Incorporated, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and accurate to the best of my knowledge, information, and belief.

10-6-2009  
Date

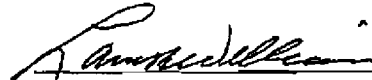
  
Steve Child

## DECLARATION OF LANE WILLIAMS

I, Lane Williams, President for M&L Enterprises, Inc., d/b/a Skyline Telephone, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and accurate to the best of my knowledge, information, and belief.

10/9/2009

Date

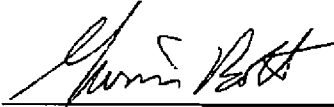


Lane Williams

## DECLARATION OF GARRIN BOTT

I, Garrin Bott, President for Beaver Creek Telephone Company, d/b/a Timberline Telco, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and accurate to the best of my knowledge, information, and belief.

10/5/09  
Date

  
Garrin Bott